

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re:  VIDEOMINING CORPORATION,  Debtor,  DIRECT CAPITAL, a division of CIT BANK, N.A.,  Movant,  v,  VIDEOMINING CORPORATION, and RAJEEV SHARMA, Respondents.	Bankruptcy No. 20-20425-GLT  Chapter 11  Doc. No.
--	---

MOTION FOR RELIEF FROM THE AUTOMATIC STAY TO PURSUE CERTAIN STATE  
COURT LITIGATION

AND NOW COMES, Movant, Direct Capital, a division of CIT Bank, N.A. (the “Movant”) by and through its undersigned counsel, Bernstein-Burkley, P.C., and in support of its Motion for Relief from the Automatic Stay Against Certain Non- Filing Debtors, represents as follows:

Parties

1. Respondent, VideoMining Corporation (the “Debtor”), is Delaware business corporation having a registered address located at 430 South Allen Street, Suite 104, State College, PA 16801.
2. Rajeev Sharma (the “Guarator”) is an individual residing at 2391 Shagbark Court, State College, PA 16803 and is an officer and/or owner of the Debtor.

Jurisdiction and Venue

3. This matter is a core proceeding and this Court has jurisdiction pursuant to 28 U.S.C. § 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. Movant seeks relief pursuant to 11 U.S.C. § 362(d) and FRBP 4001 and 9014.

Factual Background

4. On or about June 22, 2017, Debtor purchased various pieces of mining equipment, (hereinafter collectively, the “Equipment”) with the Movant pursuant to a Master EFA Agreement (the “Agreement”) as well as corresponding UCC Financing Statements attached hereto as **Exhibit A**.

5. On October 29, 2018, Movant filed a Complaint against Debtor and its guarantor, Rajeev Sharma (“Guarantor”) in the Court of Common Pleas of Centre County, Pennsylvania, Civil Case No. 2018-4323 (the “State Court Litigation”) for breach of the Agreement.

6. On or about February 4, 2020, Debtor filed a voluntary petition for relief pursuant to Chapter 11 of the Bankruptcy Code.

7. On March 18, 2020, a status conference was held in the State Court Litigation wherein the Judge stayed the litigation unless and until Movant obtained relief from the automatic stay against both the Guarantor and the Debtor.

8. On March 25, 2020, Movant filed a Motion for Adequate Protection [Doc. No. 116](the “Motion for Adequate Protection”) seeking Debtor to make full monthly payments on its accounts until confirmation of Debtor’s Chapter 11 Plan.

9. A hearing on the Motion for Adequate Protection is presently scheduled for April 30, 2020.

10. In the interim, Debtor is currently delinquent on its accounts pursuant to the Agreement in the amount of \$11,429.02.

11. The total gross balance due on the Agreement is \$126,687.29.

12. Movant wishes to proceed with the State Court Litigation against the Guarantor although there is no co-debtor stay in a Chapter 11, the state court is requiring a relief order from the bankruptcy court in order to proceed.

13. Unlike in Chapter 13 proceedings, there is no co-debtor stay in Chapter 11 cases. *See*, 11 U.S.C. § 1301. Thus, there is no automatic stay against the Guarantor in this Chapter 11 case. 11 U.S.C. § 362(a).

14. Accordingly, Movant is entitled to an order granting relief from the automatic stay to proceed against the Guarantor.

WHEREFORE, Movant, Direct Capital, a Division of CIT Bank, N.A., respectfully requests that this Honorable Court enter an Order, pursuant to 11 U.S.C. § 362(d) granting Movant relief from stay with respect to the State Court Litigation against the Guarantor only.

Dated: April 23, 2020

Respectfully submitted,

BERNSTEIN-BURKLEY, P.C.

By: /s/Keri P. Ebeck  
Keri P. Ebeck, Esq.  
PA I.D. # 91298  
[kebeck@bernsteinlaw.com](mailto:kebeck@bernsteinlaw.com)  
707 Grant Street  
Suite 2200, Gulf Tower  
Pittsburgh, PA 15219  
Phone - (412) 456-8112  
Fax - (412) 456-8135

*Counsel for Direct Capital, a division of  
CIT Bank, N.A.*